

OMB APPROVAL

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Page 1 of * 19 **SECURITIES AND EXCHANGE COMMISSION** File No.* SR - 2013 - * 36
 WASHINGTON, D.C. 20549
 Form 19b-4 Amendment No. (req. for Amendments *)

Filing by Miami International Securities Exchange, LLC.
 Pursuant to Rule 19b-4 under the Securities Exchange Act of 1934

Initial * <input checked="" type="checkbox"/>	Amendment * <input type="checkbox"/>	Withdrawal <input type="checkbox"/>	Section 19(b)(2) * <input type="checkbox"/>	Section 19(b)(3)(A) * <input checked="" type="checkbox"/>	Section 19(b)(3)(B) * <input type="checkbox"/>
Pilot <input type="checkbox"/>			Rule		
Extension of Time Period for Commission Action * <input type="checkbox"/>		Date Expires * <input type="text"/>	<input type="checkbox"/> 19b-4(f)(1)	<input type="checkbox"/> 19b-4(f)(4)	
			<input checked="" type="checkbox"/> 19b-4(f)(2)	<input type="checkbox"/> 19b-4(f)(5)	
			<input type="checkbox"/> 19b-4(f)(3)	<input type="checkbox"/> 19b-4(f)(6)	

Notice of proposed change pursuant to the Payment, Clearing, and Settlement Act of 2010	Security-Based Swap Submission pursuant to the Securities Exchange Act of 1934
Section 806(e)(1) <input type="checkbox"/>	Section 3C(b)(2) <input type="checkbox"/>
Section 806(e)(2) <input type="checkbox"/>	

Exhibit 2 Sent As Paper Document Exhibit 3 Sent As Paper Document

Description

Provide a brief description of the action (limit 250 characters, required when Initial is checked *).

Amendment to Fee Schedule

Contact Information

Provide the name, telephone number, and e-mail address of the person on the staff of the self-regulatory organization prepared to respond to questions and comments on the action.

First Name * Richard Last Name * Rudolph
 Title * Senior Counsel
 E-mail * rrudolph@miami-holdings.com
 Telephone * (609) 897-1487 Fax

Signature

Pursuant to the requirements of the Securities Exchange Act of 1934,

has duly caused this filing to be signed on its behalf by the undersigned thereunto duly authorized.

Date 07/22/2013
 By Brian O'Neill (Name *)
 Vice President and Senior Counsel (Title *)

NOTE: Clicking the button at right will digitally sign and lock this form. A digital signature is as legally binding as a physical signature, and once signed, this form cannot be changed.

Persona Not Validated - 1369332978188,

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SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

For complete Form 19b-4 instructions please refer to the EFFS website.

Form 19b-4 Information *

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The self-regulatory organization must provide all required information, presented in a clear and comprehensible manner, to enable the public to provide meaningful comment on the proposal and for the Commission to determine whether the proposal is consistent with the Act and applicable rules and regulations under the Act.

Exhibit 1 - Notice of Proposed Rule Change *

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The Notice section of this Form 19b-4 must comply with the guidelines for publication in the Federal Register as well as any requirements for electronic filing as published by the Commission (if applicable). The Office of the Federal Register (OFR) offers guidance on Federal Register publication requirements in the Federal Register Document Drafting Handbook, October 1998 Revision. For example, all references to the federal securities laws must include the corresponding cite to the United States Code in a footnote. All references to SEC rules must include the corresponding cite to the Code of Federal Regulations in a footnote. All references to Securities Exchange Act Releases must include the release number, release date, Federal Register cite, Federal Register date, and corresponding file number (e.g., SR-[SRO]-xx-xx). A material failure to comply with these guidelines will result in the proposed rule change being deemed not properly filed. See also Rule 0-3 under the Act (17 CFR 240.0-3)

Exhibit 1A- Notice of Proposed Rule Change, Security-Based Swap Submission, or Advance Notice by Clearing Agencies

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The Notice section of this Form 19b-4 must comply with the guidelines for publication in the Federal Register as well as any requirements for electronic filing as published by the Commission (if applicable). The Office of the Federal Register (OFR) offers guidance on Federal Register publication requirements in the Federal Register Document Drafting Handbook, October 1998 Revision. For example, all references to the federal securities laws must include the corresponding cite to the United States Code in a footnote. All references to SEC rules must include the corresponding cite to the Code of Federal Regulations in a footnote. All references to Securities Exchange Act Releases must include the release number, release date, Federal Register cite, Federal Register date, and corresponding file number (e.g., SR-[SRO]-xx-xx). A material failure to comply with these guidelines will result in the proposed rule change, security-based swap submission, or advance notice being deemed not properly filed. See also Rule 0-3 under the Act (17 CFR 240.0-3)

Exhibit 2 - Notices, Written Comments, Transcripts, Other Communications

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Exhibit Sent As Paper Document

Copies of notices, written comments, transcripts, other communications. If such documents cannot be filed electronically in accordance with Instruction F, they shall be filed in accordance with Instruction G.

Exhibit 3 - Form, Report, or Questionnaire

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Exhibit Sent As Paper Document

Copies of any form, report, or questionnaire that the self-regulatory organization proposes to use to help implement or operate the proposed rule change, or that is referred to by the proposed rule change.

Exhibit 4 - Marked Copies

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The full text shall be marked, in any convenient manner, to indicate additions to and deletions from the immediately preceding filing. The purpose of Exhibit 4 is to permit the staff to identify immediately the changes made from the text of the rule with which it has been working.

Exhibit 5 - Proposed Rule Text

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The self-regulatory organization may choose to attach as Exhibit 5 proposed changes to rule text in place of providing it in Item I and which may otherwise be more easily readable if provided separately from Form 19b-4. Exhibit 5 shall be considered part of the proposed rule change.

Partial Amendment

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If the self-regulatory organization is amending only part of the text of a lengthy proposed rule change, it may, with the Commission's permission, file only those portions of the text of the proposed rule change in which changes are being made if the filing (i.e. partial amendment) is clearly understandable on its face. Such partial amendment shall be clearly identified and marked to show deletions and additions.

1. Text of the Proposed Rule Change

(a) Miami International Securities Exchange, LLC (“MIAX” or “Exchange”), pursuant to the provisions of Section 19(b)(1) of the Securities Exchange Act of 1934 (“Act”)¹ and Rule 19b-4 thereunder,² proposes to amend its Fee Schedule.

A notice of the proposed rule change for publication in the Federal Register is attached hereto as Exhibit 1, and a copy of the proposed Fee Schedule is attached hereto as Exhibit 5.

(b) Not applicable.

(c) Not applicable.

2. Procedures of the Self-Regulatory Organization

The proposed rule change was approved by senior management of the Exchange pursuant to authority delegated by the MIAX Board of Directors on December 5, 2012. Exchange staff will advise the Board of Directors of any action taken pursuant to delegated authority. No other action by the Exchange is necessary for the filing of the proposed rule change.

Questions and comments on the proposed rule change may be directed to Richard S. Rudolph, Senior Counsel, at 609-897-1487.

3. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change**a. Purpose**

The Exchange proposes to extend its current waiver of all transaction fees in Section 1(a)(i) of the MIAX Options Fee Schedule (the “fee waiver”) that apply to Market Makers³

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ Market Makers may be registered as a Lead Market Maker or as a Registered Market Maker. See Exchange Rule 600(b). Market Makers registered on the Exchange for purposes of the transaction fee waiver and Section 1(a)(i) of the Fee Schedule include: (i) Registered Market Maker (“RMM”); (ii) Lead Market Maker (“LMM”); (iii) Directed

registered on the Exchange until August 31, 2013.⁴ The fee waiver currently applies to the period beginning June 3, 2013 and ending July 31, 2013.⁵ Specifically, during this period, the Exchange will continue to waive the following transaction fees: (i) RMMs \$0.23 per contract for standard options or \$0.023 for Mini Options; (ii) LMMs \$0.20 per contract for standard options or \$0.020 for Mini Options; (iii) DLMMs and PLMMs \$0.18 per contract for standard options or \$0.018 for Mini Options; and (iv) DPLMMs \$0.16 per contract for standard options or \$0.016 for Mini Options.⁶

The fee waiver is designed both to enhance the Exchange's competitiveness with other option exchanges and to strengthen its market quality. The Exchange believes that the fee waiver increases both intermarket and intramarket competition by incenting market participants and market makers on other exchanges to register as Market Makers on the Exchange. In addition, the Exchange believes that waiving transaction fees for Market Makers registered on the Exchange promotes tighter bid-ask spreads by Market Makers, and increases the volume of transactions in order to allow the Exchange to compete more effectively with other options exchanges for such transactions. The Exchange notes that the Exchange's daily percentage of

Order Lead Market Maker ("DLMM"); (iv) Primary Lead Market Maker ("PLMM"); and Directed Order Primary Lead Market Maker ("DPLMM"). See MIAX Options Fee Schedule, Section 1(a)(i) – Market Maker Transaction Fees.

⁴ See Securities Exchange Act Release No. 69710 (June 6, 2013), 78 FR 35349 (June 12, 2013) (SR-MIAX-2013-26). The fee waiver only applies to Market Maker transaction fees in Section 1(a)(i) of the MIAX Options Fee Schedule. See MIAX Options Fee Schedule, Section 1(a)(i) – Market Maker Transaction Fees. The Exchange notes that the fee waiver has no effect on other fees and dues that may apply to Market Makers including marketing fees, Options Regulatory Fees, market data, and membership application fees. At the end of the period, Market Maker Transaction Fees will return to the prior fee rates unless the Exchange files another 19b-4 Rule Filing to amend its fees.

⁵ See Securities Exchange Act Release No. 69710 (June 6, 2013), 78 FR 35349 (June 12, 2013) (SR-MIAX-2013-26).

⁶ See MIAX Options Fee Schedule, Section 1(a)(i) – Market Maker Transaction Fees.

the total market volume in MIAX listed options has increased since the beginning of the fee waiver - indicating that the fee waiver has enabled the Exchange to compete more effectively with other options exchanges for such transactions.

The Exchange notes that, while the proposal is not based on that of another exchange, that fee waivers are often used by exchanges to increase their competitiveness.⁷

b. Statutory Basis

The Exchange believes that its proposal to amend its fee schedule is consistent with Section 6(b) of the Act⁸ in general, and furthers the objectives of Section 6(b)(4) of the Act⁹ in particular, in that it is an equitable allocation of reasonable fees and other charges among Exchange members.

The Exchange believes that the fee waiver is fair, equitable and not unreasonably discriminatory. The fee waiver is reasonable because it waives transaction fees for a limited period in order to enable the Exchange to improve its overall competitiveness and strengthen its market quality for all market participants. The proposed fee waiver is fair and equitable and not unreasonably discriminatory because it will apply equally to all Market Makers. All similarly situated Market Makers are subject to the same fee waiver, and access to the Exchange is offered on terms that are not unfairly discriminatory. The registration as an Exchange Market Maker is equally available to all market participants and Electronic Exchange Members ("EEMs") that satisfy the requirements of Rule 600. Any market participant may choose to satisfy the

⁷ See e.g., Securities Exchange Act Release Nos. 66427 (February 21, 2012), 77 FR 11608 (February 27, 2012) (SR-BATS-2012-011); 65007 (August 2, 2011), 76 FR 48190 (August 8, 2011) (SR-CBOE-2011-071); 56862 (November 29, 2007), 72 FR 68918 (December 6, 2007) (SR-CBOE-2007-135); 55833 (May 31, 2007), 72 FR 31358 (June 6, 2007) (SR-ISE-2007-28).

⁸ 15 U.S.C. 78f(b).

⁹ 15 U.S.C. 78f(b)(4).

additional requirements and obligations of being a Market Maker in order to qualify for the transaction fee waiver.

The fee waiver for Market Makers, and no other market participants, is equitable and not unfairly discriminatory because Market Makers on the Exchange have enhanced quoting obligations measured in both quantity (% time) and quality (minimum bid-ask differentials) that other market participants do not have.¹⁰ The proposal is reasonably designed to enhance the quality of quoting and volume transactions by limiting the proposal to those market participants that have these enhanced obligations to deliver quality markets. Waiving fees during this period should incent market participants and market makers on other exchanges to register as Market Makers on the Exchange, which will enhance the quality of quoting and increase the volume of contracts traded in options listed on MIAX. To the extent that this purpose is achieved, all the Exchange's market participants should benefit from the improved market liquidity. Enhanced market quality and increased transaction volume that results from the increase in Market Maker activity on the Exchange will benefit all market participants and improve competition on the Exchange.

The Exchange believes that an increase in the number of Market Makers, and an increase in the execution volume from Market Makers, will result in increased revenue from other fees and dues that may apply to Market Makers that may potentially offset a portion of the fee waiver.¹¹ While the Exchange believes that an increase in the number of Market Makers, and an increase in the execution volume from Market Makers, may potentially result in increased trading activity of other market participants, the Exchange does not believe that the fee waiver

¹⁰ See MIAX Rules 603, 604, 605.

¹¹ The Exchange notes that the fee waiver has no effect on other fees and dues that may apply to Market Makers including marketing fees, Options Regulatory Fees, market data, and membership application fees.

will result in other market participants subsidizing the activity of Market Makers during the fee waiver period since the Exchange is not proposing any changes to increase the existing fees of other market participants in order to compensate for the temporary transaction fee waiver.

4. Self-Regulatory Organization's Statement on Burden on Competition

MIAX does not believe that the proposed rule change will impose any burden on competition not necessary or appropriate in furtherance of the purposes of the Act. The Exchange believes that the fee waiver increases both intermarket and intramarket competition by incenting market participants and market makers on other exchanges to register as Market Makers on the Exchange, which will enhance the quality of quoting and increase the volume of contracts traded on MIAX. To the extent that there is an additional competitive burden on non-Market Makers, the Exchange believes that this is appropriate because Market Markers registered on the Exchange have enhanced quoting obligations measured in both quantity (% time) and quality (minimum bid-ask differentials) that other market participants do not have. Waiving fees during this period should incent market participants and market makers on other exchanges to register as Market Makers on the Exchange, which will enhance the quality of quoting and increase the volume of contracts traded here. To the extent that this purpose is achieved, all the Exchange's market participants should benefit from the improved market liquidity. Enhanced market quality and increased transaction volume that results from the anticipated increase in Market Maker activity on the Exchange will benefit all market participants and improve competition on the Exchange. The Exchange notes that it operates in a highly competitive market in which market participants can readily favor competing venues if they deem fee levels at a particular venue to be excessive. In such an environment, the Exchange must continually adjust its fees to remain competitive with other exchanges and to attract order

flow. The Exchange believes that the fee waiver reflects this competitive environment because it reduces the Exchange's fees in a manner that encourages market participants to register as Market Makers, to provide liquidity, and to attract order flow to the Exchange. Given the robust competition for volume among options markets, many of which offer the same products, implementing a fee waiver program to attract Market Maker volume like the one being extended in this filing is consistent with the above-mentioned goals of the Act. This is especially true for the smaller options markets, such as MIAX, which is competing for volume with much larger exchanges that dominate the options trading industry. As a new exchange, MIAX has a nominal percentage of the average daily trading volume in options, so it is unlikely that the fee waiver could cause any competitive harm to the options market or to market participants. Rather, the fee waiver is a modest attempt by a small options market to attract order volume away from larger competitors by adopting an innovative pricing strategy. The Exchange notes that if the extension of the fee waiver results in a modest percentage increase in the average daily trading volume in options executing on MIAX, while such percentage would represent a large volume increase for MIAX, it would represent a minimal reduction in volume of its larger competitors in the industry. The Exchange believes that the proposal will help further competition, because market participants will have yet another additional alternative in determining where to execute orders and post liquidity if they factor the benefits of Market Maker transaction fees into the determination.

5. **Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received from Members, Participants, or Others**

No written comments were either solicited or received.

6. **Extension of Time Period for Commission Action**

Not applicable.

7. **Basis for Summary Effectiveness Pursuant to Section 19(b)(3) or for Accelerated Effectiveness Pursuant to Section 19(b)(2)**

Pursuant to Section 19(b)(3)(A)(ii) of the Act,¹² and Rule 19b-4(f)(2) thereunder¹³ the Exchange has designated this proposal as establishing or changing a due, fee, or other charge imposed on any person, whether or not the person is a member of the self-regulatory organization, which renders the proposed rule change effective upon filing.

8. **Proposed Rule Change Based on Rules of Another Self-Regulatory Organization or of the Commission**

The proposed rule change is not based on the rules of another self-regulatory organization or of the Commission. The Exchange notes that while the proposal is not based on that of another exchange, fee waivers are often used by exchanges to increase their competitiveness.¹⁴

9. **Security-Based Swap Submissions Filed Pursuant to Section 3C of the Act**

Not applicable.

10. **Advance Notices Filed Pursuant to Section 806(e) of the Payment, Clearing and Settlement Supervision Act**

Not applicable.

11. **Exhibits**

1. Notice of proposed rule for publication in the Federal Register.

5. Applicable Section of the MIAX Fee Schedule

¹² 15 U.S.C. 78s(b)(3)(A)(ii).

¹³ 17 CFR 240.19b-4.

¹⁴ See e.g., Securities Exchange Act Release Nos. 69710 (June 6, 2013), 78 FR 35349 (June 12, 2013) (SR-MIAX-2013-26); 66427 (February 21, 2012), 77 FR 11608 (February 27, 2012) (SR-BATS-2012-011); 65007 (August 2, 2011), 76 FR 48190 (August 8, 2011) (SR-CBOE-2011-071); 56862 (November 29, 2007), 72 FR 68918 (December 6, 2007) (SR-CBOE-2007-135); 55833 (May 31, 2007), 72 FR 31358 (June 6, 2007) (SR-ISE-2007-28).

EXHIBIT 1SECURITIES AND EXCHANGE COMMISSION
(Release No. 34- ; File No. SR-MIAX-2013-36)

July __, 2013

Self-Regulatory Organizations: Notice of Filing and Immediate Effectiveness of a Proposed Rule Change by Miami International Securities Exchange LLC to amend the MIAX Fee Schedule.

Pursuant to the provisions of Section 19(b)(1) of the Securities Exchange Act of 1934 (“Act”)¹ and Rule 19b-4 thereunder,² notice is hereby given that on July 22, 2013, Miami International Securities Exchange LLC (“MIAX” or “Exchange”) filed with the Securities and Exchange Commission (“Commission”) a proposed rule change as described in Items I, II, and III below, which Items have been prepared by the Exchange. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

I. Self-Regulatory Organization's Statement of the Terms of Substance of the Proposed Rule Change

The Exchange is filing a proposal to amend its Fee Schedule.

The text of the proposed rule change is available on the Exchange’s website at http://www.miaxoptions.com/filter/wotitle/rule_filing, at MIAX’s principal office, and at the Commission’s Public Reference Room.

II. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

In its filing with the Commission, the Exchange included statements concerning the purpose of and basis for the proposed rule change and discussed any comments it received on the proposed rule change. The text of these statements may be examined at the places specified

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

in Item IV below. The Exchange has prepared summaries, set forth in sections A, B, and C below, of the most significant aspects of such statements.

A. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

1. Purpose

The Exchange proposes to extend its current waiver of all transaction fees in Section 1(a)(i) of the MIAX Options Fee Schedule (the “fee waiver”) that apply to Market Makers³ registered on the Exchange until August 31, 2013.⁴ The fee waiver currently applies to the period beginning June 3, 2013 and ending July 31, 2013.⁵ Specifically, during this period, the Exchange will continue to waive the following transaction fees: (i) RMMs \$0.23 per contract for standard options or \$0.023 for Mini Options; (ii) LMMs \$0.20 per contract for standard options or \$0.020 for Mini Options; (iii) DLMMs and PLMMs \$0.18 per contract for standard options or \$0.018 for Mini Options; and (iv) DPLMMs \$0.16 per contract for standard options or \$0.016 for Mini Options.⁶

³ Market Makers may be registered as a Lead Market Maker or as a Registered Market Maker. See Exchange Rule 600(b). Market Makers registered on the Exchange for purposes of the transaction fee waiver and Section 1(a)(i) of the Fee Schedule include: (i) Registered Market Maker (“RMM”); (ii) Lead Market Maker (“LMM”); (iii) Directed Order Lead Market Maker (“DLMM”); (iv) Primary Lead Market Maker (“PLMM”); and Directed Order Primary Lead Market Maker (“DPLMM”). See MIAX Options Fee Schedule, Section 1(a)(i) – Market Maker Transaction Fees.

⁴ See Securities Exchange Act Release No. 69710 (June 6, 2013), 78 FR 35349 (June 12, 2013) (SR-MIAX-2013-26). The fee waiver only applies to Market Maker transaction fees in Section 1(a)(i) of the MIAX Options Fee Schedule. See MIAX Options Fee Schedule, Section 1(a)(i) – Market Maker Transaction Fees. The Exchange notes that the fee waiver has no effect on other fees and dues that may apply to Market Makers including marketing fees, Options Regulatory Fees, market data, and membership application fees. At the end of the period, Market Maker Transaction Fees will return to the prior fee rates unless the Exchange files another 19b-4 Rule Filing to amend its fees.

⁵ See Securities Exchange Act Release No. 69710 (June 6, 2013), 78 FR 35349 (June 12, 2013) (SR-MIAX-2013-26).

⁶ See MIAX Options Fee Schedule, Section 1(a)(i) – Market Maker Transaction Fees.

The fee waiver is designed both to enhance the Exchange's competitiveness with other option exchanges and to strengthen its market quality. The Exchange believes that the fee waiver increases both intermarket and intramarket competition by incenting market participants and market makers on other exchanges to register as Market Makers on the Exchange. In addition, the Exchange believes that waiving transaction fees for Market Makers registered on the Exchange promotes tighter bid-ask spreads by Market Makers, and increases the volume of transactions in order to allow the Exchange to compete more effectively with other options exchanges for such transactions. The Exchange notes that the Exchange's daily percentage of the total market volume in MIAX listed options has increased since the beginning of the fee waiver - indicating that the fee waiver has enabled the Exchange to compete more effectively with other options exchanges for such transactions.

The Exchange notes that, while the proposal is not based on that of another exchange, that fee waivers are often used by exchanges to increase their competitiveness.⁷

2. Statutory Basis

The Exchange believes that its proposal to amend its fee schedule is consistent with Section 6(b) of the Act⁸ in general, and furthers the objectives of Section 6(b)(4) of the Act⁹ in particular, in that it is an equitable allocation of reasonable fees and other charges among Exchange members.

⁷ See e.g., Securities Exchange Act Release Nos. 66427 (February 21, 2012), 77 FR 11608 (February 27, 2012) (SR-BATS-2012-011); 65007 (August 2, 2011), 76 FR 48190 (August 8, 2011) (SR-CBOE-2011-071); 56862 (November 29, 2007), 72 FR 68918 (December 6, 2007) (SR-CBOE-2007-135); 55833 (May 31, 2007), 72 FR 31358 (June 6, 2007) (SR-ISE-2007-28).

⁸ 15 U.S.C. 78f(b).

⁹ 15 U.S.C. 78f(b)(4).

The Exchange believes that the fee waiver is fair, equitable and not unreasonably discriminatory. The fee waiver is reasonable because it waives transaction fees for a limited period in order to enable the Exchange to improve its overall competitiveness and strengthen its market quality for all market participants. The proposed fee waiver is fair and equitable and not unreasonably discriminatory because it will apply equally to all Market Makers. All similarly situated Market Makers are subject to the same fee waiver, and access to the Exchange is offered on terms that are not unfairly discriminatory. The registration as an Exchange Market Maker is equally available to all market participants and Electronic Exchange Members (“EEMs”) that satisfy the requirements of Rule 600. Any market participant may choose to satisfy the additional requirements and obligations of being a Market Maker in order to qualify for the transaction fee waiver.

The fee waiver for Market Makers, and no other market participants, is equitable and not unfairly discriminatory because Market Makers on the Exchange have enhanced quoting obligations measured in both quantity (% time) and quality (minimum bid-ask differentials) that other market participants do not have.¹⁰ The proposal is reasonably designed to enhance the quality of quoting and volume transactions by limiting the proposal to those market participants that have these enhanced obligations to deliver quality markets. Waiving fees during this period should incent market participants and market makers on other exchanges to register as Market Makers on the Exchange, which will enhance the quality of quoting and increase the volume of contracts traded in options listed on MIAX. To the extent that this purpose is achieved, all the Exchange’s market participants should benefit from the improved market liquidity. Enhanced market quality and increased transaction volume that results from the increase in Market Maker

¹⁰ See MIAX Rules 603, 604, 605.

activity on the Exchange will benefit all market participants and improve competition on the Exchange.

The Exchange believes that an increase in the number of Market Makers, and an increase in the execution volume from Market Makers, will result in increased revenue from other fees and dues that may apply to Market Makers that may potentially offset a portion of the fee waiver.¹¹ While the Exchange believes that an increase in the number of Market Makers, and an increase in the execution volume from Market Makers, may potentially result in increased trading activity of other market participants, the Exchange does not believe that the fee waiver will result in other market participants subsidizing the activity of Market Makers during the fee waiver period since the Exchange is not proposing any changes to increase the existing fees of other market participants in order to compensate for the temporary transaction fee waiver.

B. Self-Regulatory Organization's Statement on Burden on Competition

MIAX does not believe that the proposed rule change will impose any burden on competition not necessary or appropriate in furtherance of the purposes of the Act. The Exchange believes that the fee waiver increases both intermarket and intramarket competition by incenting market participants and market makers on other exchanges to register as Market Makers on the Exchange, which will enhance the quality of quoting and increase the volume of contracts traded on MIAX. To the extent that there is an additional competitive burden on non-Market Makers, the Exchange believes that this is appropriate because Market Markers registered on the Exchange have enhanced quoting obligations measured in both quantity (% time) and quality (minimum bid-ask differentials) that other market participants do not have. Waiving fees during this period should incent market participants and market makers on other

¹¹ The Exchange notes that the fee waiver has no effect on other fees and dues that may apply to Market Makers including marketing fees, Options Regulatory Fees, market data, and membership application fees.

exchanges to register as Market Makers on the Exchange, which will enhance the quality of quoting and increase the volume of contracts traded here. To the extent that this purpose is achieved, all the Exchange's market participants should benefit from the improved market liquidity. Enhanced market quality and increased transaction volume that results from the anticipated increase in Market Maker activity on the Exchange will benefit all market participants and improve competition on the Exchange. The Exchange notes that it operates in a highly competitive market in which market participants can readily favor competing venues if they deem fee levels at a particular venue to be excessive. In such an environment, the Exchange must continually adjust its fees to remain competitive with other exchanges and to attract order flow. The Exchange believes that the fee waiver reflects this competitive environment because it reduces the Exchange's fees in a manner that encourages market participants to register as Market Makers, to provide liquidity, and to attract order flow to the Exchange. Given the robust competition for volume among options markets, many of which offer the same products, implementing a fee waiver program to attract Market Maker volume like the one being extended in this filing is consistent with the above-mentioned goals of the Act. This is especially true for the smaller options markets, such as MIAX, which is competing for volume with much larger exchanges that dominate the options trading industry. As a new exchange, MIAX has a nominal percentage of the average daily trading volume in options, so it is unlikely that the fee waiver could cause any competitive harm to the options market or to market participants. Rather, the fee waiver is a modest attempt by a small options market to attract order volume away from larger competitors by adopting an innovative pricing strategy. The Exchange notes that if the extension of the fee waiver results in a modest percentage increase in the average daily trading volume in options executing on MIAX, while such percentage would represent a large volume increase for MIAX, it would represent a minimal reduction in volume of its larger competitors in

the industry. The Exchange believes that the proposal will help further competition, because market participants will have yet another additional alternative in determining where to execute orders and post liquidity if they factor the benefits of Market Maker transaction fees into the determination.

C. Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received from Members, Participants, or Others

Written comments were neither solicited nor received.

III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action

The foregoing rule change has become effective pursuant to Section 19(b)(3)(A)(ii) of the Act.¹² At any time within 60 days of the filing of the proposed rule change, the Commission summarily may temporarily suspend such rule change if it appears to the Commission that such action is necessary or appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of the Act. If the Commission takes such action, the Commission shall institute proceedings to determine whether the proposed rule should be approved or disapproved.

IV. Solicitation of Comments

Interested persons are invited to submit written data, views, and arguments concerning the foregoing, including whether the proposed rule change is consistent with the Act.

Comments may be submitted by any of the following methods:

Electronic comments:

- Use the Commission's Internet comment form (<http://www.sec.gov/rules/sro.shtml>);

or

¹² 15 U.S.C. 78s(b)(3)(A)(ii).

- Send an e-mail to rule-comments@sec.gov. Please include File Number SR-MIAX-2013-36 on the subject line.

Paper comments:

- Send paper comments in triplicate to Elizabeth M. Murphy, Secretary, Securities and Exchange Commission, 100 F Street, NE, Washington, DC 20549-1090.

All submissions should refer to File Number SR-MIAX-2013-36. This file number should be included on the subject line if e-mail is used. To help the Commission process and review your comments more efficiently, please use only one method. The Commission will post all comments on the Commission's Internet Web site (<http://www.sec.gov/rules/sro.shtml>).

Copies of the submission, all subsequent amendments, all written statements with respect to the proposed rule change that are filed with the Commission, and all written communications relating to the proposed rule change between the Commission and any person, other than those that may be withheld from the public in accordance with the provisions of 5 U.S.C. 552, will be available for website viewing and printing in the Commission's Public Reference Room, 100 F Street, NE, Washington, DC 20549, on official business days between the hours of 10:00 a.m. and 3:00 p.m. Copies of the filing also will be available for inspection and copying at the principal office of the Exchange. All comments received will be posted without change; the Commission does not edit personal identifying information from submissions. You should submit only information that you wish to make available publicly.

All submissions should refer to File Number SR-MIAX-2013-36 and should be submitted on or before [insert date 21 days from publication in the Federal Register]. For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.¹³

Kevin M. O'Neill
Deputy Secretary

¹³ 17 CFR 200.30-3(a)(12).

New text is underlined;
Deleted text is in [brackets]

MIAX Options Fee Schedule

1) Transaction Fees

a) Exchange Fees

- i) Market Maker Transaction Fees (For a period beginning June 3, 2013 and ending July~~August~~ 31, 2013 the Exchange will waive all Market Maker Transaction Fees in Section 1(a)(i) of the MIAX Options Fee Schedule)**
